



INVESTING IN A SOCIAL EUROPE!

*European platform against poverty and
social exclusion*

*Plateforme européenne contre la pauvreté
et l'exclusion sociale*

*Europees platform tegen armoede en
sociale uitsluiting*

*Europäischen Plattform gegen Armut und
soziale Ausgrenzung*

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REPORT

Investing in a Social Europe

**The text reflects impressions of the speeches.
Only the words pronounced count.**

Introduction

The European Commission and the Cyprus Presidency are pleased to present the report on the second annual Convention of the European Platform against Poverty and Social Exclusion which took place in Brussels on 5, 6 and 7 December 2012. This full report contains the details of the main discussions. All presentations and speeches as well as a video of the event are available on the website:

<http://ec.europa.eu/social/main.jsp?langId=en&catId=88&eventsId=804&furtherEvents=yes>

The 2012 Convention gathered more than 650 participants from 40 countries, representing Member States, civil society and Social Partners. Together, they discussed how social policies need to be modernised with a view to the demographic challenges and the current economic and social crisis.

Mr José Manuel Barroso, President of the European Commission, Mr Herman Van Rompuy, President of the European Council and Ms Isabelle Durant, one of the Vice-Presidents of the European Parliament opened the Convention by making an address to the participants and Mr Demetris Christofias, President of the Republic of Cyprus sent a statement presented by Ms Sotiroula Charalambous.

Participants discussed the urgent necessity for adequate, sustainable and effective social policies to address the growing risks of poverty and social exclusion. In the long run, this will ensure that EU Member States will emerge out of the crisis stronger, more cohesive and more competitive.

The Convention provided an opportunity for an exchange of views on the main ideas of the upcoming Social Investment Package which was presented by Mr László Andor, European Commissioner for Employment, Social Affairs and Inclusion. The Package is grounded on the idea that Member States must invest in social policies that empower people from an early age, strengthen their capabilities to cope with risks and enhance their opportunities to participate in society. This approach is in line with such European values as the right to live in dignity and in a fair society. This calls for sustainable and adequate budgets, activating and enabling policies, and social investment in the human capital across the life-course. To this end, the Package will provide a policy framework and guidance to reach the Europe 2020 targets, in particular that of lifting 20 million people from poverty and social exclusion, by underpinning the Country-Specific Recommendations and building on EU's financial instruments, in particular the European Social Fund.

Mr Tonio Borg, European Commissioner for Health and Consumer Policy underlined the health aspects related to the major challenges Europe is facing and lastly Mr Conny Reuter, President of the Social Platform highlighted the need to combat rising inequalities if we want a social Europe.

A series of workshops were organised to act as a forum for consultation and discussion on specific parts of the Social Investment Package.

In the framework of the discussions on **health policies**, it was agreed that health inequalities exist not only between countries but also within countries and health inequalities are not inevitable. Investing preventively in health can save large costs especially at primary care level and investing in the training of health care professionals about social and health determinants can improve prevention of risks in the future.

On the **gender dimension of poverty**, there was an exchange of views on the structural factors which make women more at risk of poverty at different stages of their lives. A series of measures were identified to address this situation such as gender mainstreaming which should be at the heart of the EU2020 governance process, as well as a better use of the EU structural funds. Key policies need also to be improved particularly in areas of employment, social protection care and pensions. Women must have access to equal pay, affordable care services, and other measures to promote a work-life balance.

In the workshop for **active inclusion**, it was stressed that an **individualised approach** that puts **the needs of people at the centre**, and effectively integrates **quality services**, develop local partnerships, and ensures **adequate livelihoods**, is the best way to promote labour market and social participation. The Structural Funds should foster the development of broad strategic approach to active inclusion.

The possibilities of using **digital technologies (ICT) effectively for e-inclusion** were also discussed. ICT has an added value for both citizens, through empowering people to develop their skills, and organisations, through reaching target groups and improving coordination and monitoring.

Richard Wilkinson, emeritus professor of social epidemiology at University of Nottingham, gave a key note presentation on **the effects of inequality on society**. He explained the mismatch between material success and happiness phenomenon which is particularly evident in countries with large disparities of wealth. Data from a variety of sources showed that health and social problems are worse in the more unequal societies.

Two plenary discussions took place on how to strengthen stakeholder participation in the **Annual Growth Survey and the European Semester** and on how the **Structural Funds**, and the European Social Fund in particular, can contribute to the implementation of the Social Investment Package.

Building on the outcomes of the debates in the workshops, EU Ministers and Secretaries of State discussed their Member States' priorities in social policy reforms. **Ministers agreed that when social policies are carefully designed they are an investment in society that leads to inclusive growth and cohesion.**

Finally, Representatives of EU institutions, Member States and civil society **highlighted the next steps to take**. **Shared ownership** and **collective commitment** with the Member States, Social Partners and civil society is needed to ensure the successful implementation of the Social Investment Package. It was also underlined that sound and constructive dialogue as well as joint monitoring and governance of national social reforms are essential for a holistic approach to tackling the challenges we face. The insights of Social Partners and civil society highlighted at this Convention should continue to be drawn upon in the coming year.

14:00 – 15:00 Presidential Opening Ceremony: A Social Europe

José Manuel Barroso, President of the European Commission - "Combating Poverty and Social Exclusion: The European Commission's Approach"

President Barroso stressed the uniqueness of the times we live in. "The financial crisis has become a crisis of confidence with a profound impact on our economies, our societies, our people. Across Europe, for the first time in half a century, many of our citizens look to the future not with the expectation of a better life but with uncertainty and even fear. Over one in five Europeans live under the threat of poverty, including more than 25 million children."

He underlined his message from his State of the Union address to the European Parliament in September 2012: "We need to reform our economies and modernise our social protection systems. (...) An effective social protection system that helps those in need is not an obstacle to prosperity. (...) Indeed, it is those European countries with the most effective social protection systems and with the most developed social partnerships that are among the most successful and competitive economies not only in Europe but in the world."

President Barroso turned to the forthcoming implementation of the European Commission's Compact for Growth and Jobs, saying its success will depend on a strong partnership between the European institutions, Member States and social partners. The 2013 Annual Growth Survey aims for the joint goal of fiscal consolidation and growth, including through promoting social inclusion, tackling poverty, and ensuring the effectiveness of social protection systems .

He also made the case for more targeted instruments to facilitate job creation, stressing that both national governments and the EU have responsibility in this area, and not one or the other. The Employment Package and the Youth Employment Package are soon to be followed by a Social Investment Package, with guidance on how to improve Member States' social policies. He stressed the important role of the Globalisation Adjustment Fund, aimed at those facing unemployment because of major restructuring, and the Fund for European Aid to the Most Deprived.

Herman Van Rompuy, President of the European Council

President Van Rompuy began by saying that being poor is not just about lacking money. "Being poor (is also) about human dignity. It affects one's possibility to take part in society. It often leads to a spiral of social isolation and loneliness." The EU has always been committed to the fight against poverty, he said, and remains the largest donor of official development aid in the world.

He warned that lifting 20 million people out of poverty by 2020 is not on track. This is why in October 2012 the European Council urged Member States to step up their efforts. Of the EU's 27 Member States, 13 have seen poverty and social exclusion increase between 2008 and 2011. "We need growth and employment to keep the European social model alive", the President said, arguing that spending on employment, education and social inclusion should be sheltered from cuts. He concluded that more emphasis must be put on guidance and implementation in the preparation of the European Semester 2013, and a strengthening of the dialogue between the European Parliament, national parliaments and social partners.

Isabelle Durant, Vice-President of the European Parliament

Vice-President Durant said current poverty figures “are dizzying and would not have been imaginable 20 years ago, what’s more in one of the world’s richest regions.” The European Parliament, she said, is aware that the proposed budget of €2.7 billion over the next seven years is inadequate in “this race against time”. The European Parliament also advocates an EU-level minimum wage. The profile of poverty today, she says, has a gender (women), ages (children) dimension and also consists of young people trying to access the job market, and retired people, and social groups, like migrants, minorities and the disabled. It also has an immaterial dimension, involving a loss of respect, dignity and social recognition. She concluded by saying the fight against poverty needs sophisticated tools, and why not a Golden Rule for social inclusion with objectives, constraints, controls and sanctions?

Demetrís Christófiás, President of the Republic of Cyprus (speech read by Sotiroula Charalambous, Cyprus Minister of Labour and Social Insurance)

The President of Cyprus, which at the time of the conference held the rotating EU Presidency, voiced in his statement his concerns about resorting to austerity measures to resolve the crisis. “Austerity policies alone lead to the dismantlement of the welfare state and strangle growth. The economy and sustainable development should serve society. The resulting wealth should be shared more equitably. We cannot (...) put the weight of the current crisis on the shoulders of those who barely earn a living. Ordinary citizens of the European Union are the last to blame for the inherent weaknesses of the Economic and Monetary Union.” President Christófiás urged work to continue on the newly proposed Regulation for the Fund for European Aid to the Most Deprived. A challenge for the EU is to preserve its momentum in the field of social policy, despite the crisis. The Europe 2020 strategy means the active involvement of all sectors of society, including NGOs, social partners and local authorities.

15:00 – 15:45 Stocktaking on progress made in 2012 and the need for Social Investment

László Andor, EU Commissioner for Employment, Social Affairs and Inclusion - “Tackling Poverty by Investing in People”

Commissioner Andor pointed out that between 2009 and 2011, the income of the average household declined in two out of three Member States, a development that undermines social cohesion and puts a strain on solidarity. “If the European Union is to come out of the crisis stronger, more cohesive and more competitive, we need to tackle the social situation and the long-term challenges too. And we need to do that by focusing on structural reform and social investment.” Among initiatives at EU level, he mentioned the European Commission’s Youth Opportunities Initiative, the Employment Package and the Social Business Initiative, but stressed that “social protection is not there just as a remedy when things are going badly. It is a social investment — an investment in our future prosperity and wellbeing.” The European social model must be modernised, Mr Andor said, ensuring the inclusion of disadvantaged people and an adequate level of social protection. The Social Investment Package for Growth and Cohesion to be presented early 2013 will provide concrete guidance on how to achieve this.

Tonio Borg, EU Commissioner for Health and Consumer Policy

Health care investment is essential to the Europe 2020 agenda, said Commissioner Borg. The Annual Growth Survey 2013 recommends reforming healthcare systems with the double aim of making more

efficient use of public resources and improving access to quality care. Health care system reform must focus on three points: faced by ageing populations, they need to ensure sustainability by being more efficient, using new technologies, generic drugs and investing in prevention; healthier people are more active on the employment market, so investing in health is also an investment in human capital; solidarity means targeting the lower socio-economic groups, as through the promotion of healthy diets and child vaccination campaigns. In 2013, the European Commission will work with Member States on best practices, developing reform guidance ideas and preventing and managing chronic diseases.

Conny Reuter, President of the Social Platform - "Stocktaking on the Progress Made in 2012 and the Way Forward"

"We must combat rising inequalities and poverty in the EU if we want a social Europe", was one key message Mr Reuter delivered. Austerity measures have seen an increase in inequalities, and income inequality in OECD countries has reached an all-time high in 50 years. We are moving towards a two-tier society, which is destroying social cohesion and wellbeing. A social investment package will prevent economic and social costs rising further, he added, and the European Convention of the European Platform against Poverty and Social Exclusion is there to provide recommendations to Member States. However, the recommendations put forward by the Convention in 2011 were not even mentioned at the European Council, which was a big waste of expertise from NGOs and other social partners.

16:45 – 17:00 The way forward: the Social Investment Package

Chaired by **Lieve Fransen**, Director for Europe 2020, Social policies, DG Employment, Social Affairs and Inclusion

With: **Bea Cantillon**, Director of the Centre for Social Policy at the University of Antwerp (BE)

And **Irena Kotowska**, Head of the Department of Demography at the Institute of Statistics and Demography, Warsaw School of Economics (PL)

LF: What do you think of the experiences of social investment across different Member States? What positive examples from some Member States can be transferable?

BC: The Nordic countries remain the strongest examples, across Europe and across the world, in terms of both social investment and protective policies. Even if they are losing ground at the moment, they remain the strongest in the world. With high employment but also well distributed employment including low levels of jobless households. They have also succeeded in balancing work/family life. They have well designed parental leave systems, democratised education systems, and strong social protection.

Their social protection systems are largely universal and with relatively high minimum levels of benefits. This is important when considering social investment. For example, children living in households with high financial stress might be less receptive to 'investment' interventions because of difficulties at home (So investments in child care may well need to be complemented with minimum income for families). Protection is complementary to investment in this respect. The Nordic countries also have some of the best protection systems for disabled people (particularly Norway and Sweden).

LF: How are demographic changes irreversible and how should social policies adapt to this?

IK: Nordic countries are also dealing best with the demographic changes in Europe. In general, people are living longer and healthier, with decreased fertility (below the replacement level). The population is ageing, which also means that the working age population is shrinking. The trends are common

across the EU, but the acceleration of change is different across Member States – with the most affected countries being Central and Eastern Europe. This has obvious implications for employment.

LF: Are there some good examples of improving benefit/service take up? Some people in need of social benefits and services aren't accessing services available to them. Also, are there examples of individualised service delivery?

BC: We need universality - as universal as possible – for benefit design. This is also a lesson from the Scandinavian countries, where care, health, education and child benefits are largely universal. But also within universality, we need targeted support. The rich must pay more than they will receive to pay for transfers to those who need them. In addition to this, we need to recognise that centralised social protection systems are good in some respect (i.e. a centralised area for pension administration), but not for others. If we want to individualise services that can best activate people, help them find childcare, etc. then we need to have the benefits and services be brought to those who need them. We need greater 'localness'.

LF: What are the key investments to be made? What measures are most effective seen throughout the life course of a person?

IK: Early child education and care, childcare, active labour market policies and pro-health behaviours are all very important. But we must also recognise that active labour market policies have to be considered differently than before due to a more diverse labour force (more elderly people, women, migrants, etc.). We also need better work-life reconciliation policies. This is not only for improving employability but also raising quality of life.

LF: Public policies are not the only ones who can help. What is the role for active citizenship? And the role of the private sector?

BC: Successful welfare states have worked in partnership. Especially in terms of social innovation, this has often been done by individuals who have had bright innovative ideas. There are numerous examples of successful social innovation initiatives in Antwerp done by citizens. This is the central point of social citizenship.

IK: The business sector is also an important partner for social policy. Business partners are important stakeholders. But labour flexibility and security are differently understood by employees and employers. Right now, labour force flexibility is more employer-oriented. But a work life balance must be improved on the part of employees. This means childcare, part-time work, and paid leave – but also certain social services offered on the part of employers.

Questions/Comments from the Audience:

Brenda King, European Economic and Social Committee: Many large families are suffering from poverty, and they have been hardest hit by cuts in austerity. How can we address this?

Member of the European Volunteer Centre: Volunteering is not mentioned, and today is International Volunteer Day. In light of the discussions about social citizenship, we should not neglect the crucial role of volunteers.

Jerzy Ciechanski, Ministry of Labour and Social Policy for the City of Warsaw, Member of the SPC: Interested in the discussion about demographic changes being addressed in social policies. How do we see this new approach to social policy being implemented? And what is the EU's role?

Katherine Duffy, EAPN: Is the big elephant in the room the idea that we view modernisation of social policy as privatisation? Also, who pays for social policies? And we keep talking about long-term improvements created by social investment – but how do we address the immediacy of the situation for people in poverty? Otherwise, people will be dead before we reach the long term.

Expert responses to some of the above questions:

IK: (in response to supporting large families) It is important to develop good services. Education and childcare should be of quality and free of charge. Flexible working arrangements are extremely important, as well as other reconciliation policies.

BC: (responding to the question of who pays) In order to pay for social investment for the future generation and combat poverty for the current generation, we need to have more redistribution. We need to look at how budgets are raised and distributed across the population. Efficiency equals redistribution from the rich to those in need of help.

17:30 -19:30 Speed dating on successful and transferrable projects implemented on the ground

The speed dating on successful and transferrable projects implemented on the ground brought together social actors and innovators with Convention participants to showcase those projects. The purpose was to have a series of 25 short presentations to get interested actors and participants acquainted with the purpose and the success factors of the projects.

The projects were selected based on proposals made by DG Employment (European Social Fund), the Member States authorities (Social Protection Committee) and the EU stakeholders as well as on the basis of their link to the Social Investment Package (policy relevance), return on investment (sustainability), and their transferability to other Member States or other regions of the EU.

The following projects were presented at the speed dating event:

UK	EASPD	Filled Klikin / Disabled
DE	CARITAS	Stromspar-Check / Energy poverty
FR	Eurodiaconia	ABEJ / Transport (SNCF)
PT	FEANTSA	Casas Primeiro / Housing first
AT	ENSIE	Social Market for people with low income
UK	EUROCHILD	Investing in children
UK	EUROCITIES	Supporting people
BE	DYNAMO	Les ateliers pARTage
MD	OSF	Social inclusion / Intellectual disabilities
EU	LU DEN	I am Roma

EU	ENSA	Open door / Youth in Action
BE	VLEVA	Recup PC
IE	REVES	Social Housing
SI	ESF	Active Inclusion - Project Learning for Young Adults
DE	ESF	Social Protection - Agrigent
IT	PIPPI	Prevention of out of home placement of children
RO	FDP	Supervision and monitoring of the repatriation and socio-professional integration of 50 Roma families
ES	RAIS	Carmen Sacristán Center for the Homeless
UK	The Wise Group	Routes out of Prison (Roop)
NL	SchuldHulpMaatje	Debt Buddies Project
MT	KNPD	Sonia Tanti Independant Living center/Disabled
LT	Caritas	Back to labour market
DE	BAVF	Training measure in "Culturally Sensitive Elder Care"
FR	CCAS	REFLEX/Overendebtedness

17:30 -19:30 Side events organised by Stakeholders

In parallel to the Speed dating session, a number of stakeholders active at European level had been invited to organise a series of side events bringing together Convention participants around subjects dealing with the fight against poverty and social exclusion. The following information sessions took place:

- Penalising poverty: how homelessness is becoming a target for local administrative repression across the EU (FEANTSA)
- Empowering people with direct experience of poverty (EAPN)
- Responding to the impacts of the economic crisis in the worst-affected Member States (Caritas)

In addition to this, ATD Quart Monde featured the film "Joseph l'Insoumis", the inspirational story of Joseph Wresinski, founder of their organisation.

19:30 – 21:00 Dinner hosted by Commissioner Andor

Guy Ryder, Director-General of the International Labour Organisation

Guy Ryder focused on a social Europe from a global perspective. He highlighted the importance of decent work, including social protection floors, for addressing poverty and social exclusion. He supported the call of EU leaders that the EU and its Member states should respond to the social emergency situation affecting a rising group of workers and unemployed persons and their families.

1. Workshop on increasing the effectiveness of social protection: the case of health investment

Chair: **Clive Needle**, EuroHealthNet

Reorienting health systems towards evidence based promotion and prevention would make a significant contribution to European needs and goals, including poverty reduction targets. Closer integration between economic, social and health sectors offers multiple co-benefits for people in or at risk of poverty and social exclusion. The EU has a range of instruments in its policies, programmes and funding which can be brought to bear within the 2020 framework. EuroHealthNet continues to develop tools, knowledge and practices to support such initiatives, including via the EU Platform against Poverty and Social Exclusion.

Rapporteur: **Peter Buijs**, TNO Work&Health (NL)

Introduction

This workshop examined which policy approaches and strategies are needed to enable the most effective use of resources for sustaining equitable health and social systems. The workshop first discussed some factors as well as promising and successful practices to improve access, inclusion and integration in health and social systems, and then analyzed the contribution of health to the economy, by addressing health topics from the investment point of view. The discussions were informed by introductory presentations from Clive Needle (EuroHealthNet), Jessica Allen (University College London, UK) and Peter Buijs (TNO Work&Health - NL), case studies of projects and strategies in the field by Pablo Garcia (PROGRESS Project - ES), Tamsin Rose (EU Project - Health Gains), Annika Veimer (EE) and Adam Kullmann (ERDF Project - HU).

1. Health inequalities are large but not unavoidable

Large health inequalities can be observed across Europe. This is true not only between countries but also within countries. As a healthy (working) population is key to economic performance, it is essential to improve the health status in order to achieve economic growth. In Estonia, many men don't reach retirement age or are only in a very poor health. The government has recognised the necessity to act and has established a national health plan to increase (healthy) life expectancy. But health inequalities are not inevitable or immutable and often result from social determinants and inequalities.

1.1 The determinants of health

A population's health does not depend only on the quantity and quality of the provided health services. Indeed, many determinants of health lie outside the health system. There are political, environmental and social, especially occupational, determinants of health. There is also a strong link between poverty and health. In Hungary, the difference in life expectancy between poor and rich regions amounts up to seven years.

1.2 Health as an investment

Health spending is often considered as a cost. Accordingly, during the crisis, governments tend to make the first cuts in the health and social systems. However, these are the systems helping those most in need. Furthermore, cutting investments in health and social systems might reduce expenses in the short run but is likely to be very costly in the long run: lost lives and productivity, financial costs (reduced tax revenues, higher welfare payments and treatment costs) and social costs (social cohesion, crime, education, employment). Health spending should be considered as an investment as the results provide widespread beneficial returns in the long run.

1.3 Improving health at work

Investments in a healthy working environment and workforce, and in a more work oriented health care are worthwhile not only socially (for the employee) but also economically (for the employer, the health sector and the economy as a whole). According to some research (TNO, 2010), at least € 2 billion could be saved each year in The Netherlands by improving coordination between the health sector and the work environment. In the field of mental health issues, a project developed a toolkit for employees, employers and health professionals to provide the necessary guidance to keep patients with a mild or moderate depression at work. This project supported by the EU PROGRESS Programme was considered as an important contribution to joint cooperation on this complex health issue – in many Member States the number one reason for sickness absence and work incapacity.

1.4 Health in all policies approach

The long term economic and health impact of investments should be considered in all policy areas. While in the short term a positive economic impact might be achieved (opening a casino that creates jobs), it could lead to a deterioration of the local economic, social and health situation in the longer run (draining money out of other economic sectors, entailing game addictions, unhealthy lifestyles, ...). Keeping health impacts in mind while designing policies can therefore be very effective.

2. Recommendations

2.1 Better and smarter investment

There is no need for more investment but for better, smarter, evidence-based investment. This can be done by expanding e.g. primary health care centres to community centres or using existing assets for tackling the social determinants of health. For example, general practitioners can direct a patient to other social institutions (e.g. housing support), when their disease is due to social circumstances (e.g. housing situation).

In the health sector, there is an issue about the visibility of health gains. As a hospital is much more visible than actual health improvements, it is difficult to promote longer term investments, however effective they might be. Yet the scientific literature is quite clear that a strong primary health care focus results in the best health outcomes, and is a sustainable investment. There should be a stronger focus on prevention to reduce risk factors, promote healthy lifestyles and increase health literacy at an early age.

2.2 Coordinated action, sustainability and commitment

While policy makers often consider health as a priority, it is not always reflected in their projects and actions. Much more could be achieved by considering health issues and impacts in all policy areas as many determinants of health lie outside the health sector. Health is also socially, economically and politically determined. Coordinated action is needed and policy makers should take an intersectional approach, especially when they face common challenges. Coordinating and guiding “non-health” policies might have a greater impact on health than investing in the traditional health system. As

investments in health are long-term investments, there is also a need for sustainable financing of public health, occupational health and a political commitment in all sectors.

2.3 Investing in a healthy workforce is worthwhile

Investing money in a healthy working environment and workforce gives a good return on investment. It profits employees (mental and physical health as well as better jobs), employers (productivity), society and the economy. Improvements can be achieved through better medical education about social factors and especially work factors, guidelines, evidence based occupational history tracking, inventory of toolkits and good practices. Extra efforts are needed as pressure on workers' health is to be expected in the coming years (ageing, working longer, increase of chronic and lifestyle diseases).

2.4 EU Commission and structural funds

The European Commission has limited opportunities within the Multiannual Financial Framework. Many of the determinants of health are managed at a national or local level. However, Structural Funds are powerful instruments. If targeted appropriately, they can be a catalyst for improving population health. All sectorial investments through Structural Funds have the potential to generate health gains.

2.5 Reducing inequalities for the benefit of individuals and society

Health inequalities are costly to society, health services and the economy. Funds should be channelled to reduce these inequalities. This includes ensuring access to health services to people that are socially excluded or furthest away from the job market, i.e. migrants and poor and people with disabilities. In this respect, there might be a need for better coordination and collaboration between the formal (public and private) and the informal (alternative or voluntary) health systems and service providers. The voluntary service providers often have better access to poorer people and migrants, which do not always consider health as a good.

3. Key Messages

- Sustainable economic growth cannot be achieved without a healthy population and workforce.
- Health inequalities are increasing and doing nothing about it will cost more and more.
- We need SMART evidence based investment in health with life course added value and emphasis on prevention.
- Investing in health requires practical reorientation of policies in the direction of improved interface with relevant non-health sectors and actors, especially at primary care level.
- Health care professionals need to be trained about social determinants of health (especially work factors) in order to better help people with (chronic) health problems to keep their job – the best way to prevent poverty.

2. Workshop on the gender dimension of poverty

Chair: **Mary Collins**, European Women Lobby

Rapporteur: **Hugh Frazer**, Member of the European network of independent experts on social inclusion (National University of Ireland, IE)

Introduction

This workshop examined why, overall, women experience a significantly higher risk of poverty and social exclusion than men. The workshop first discussed the structural factors which make women more at risk of poverty at different stages of their lives. It then identified and agreed a series of measures to address this situation. The discussions were informed by introductory presentations from Professors Marcella Corsi (IT), Bea Cantillon (BE) and Christa Randzio-Plath (DE) and case studies of successful projects in the field by Letizia Cesarini-Sforza (IT) and Hafida Bachir (BE).

1. Extent and causes

A Detailed examination of gender differences in relation to poverty and social exclusion is limited by serious gaps and inadequacies in the available data. In particular there are two key issues: the timeliness of data and the lack of breakdown of how income is distributed within households. Data on single parents is the most reliable. However, drawing on the data that is available it is clear that, overall, women are more at risk of poverty and social and exclusion than men, particularly single parents, elderly women and migrant women.

1.1 A complex picture

Getting behind the headline figures on gender differences reveals quite a complex picture. For instance, the extent of gender differences varies significantly across Member States. This shows that the quality of policies to promote gender equality and women's emancipation are a significant factor. Amongst women there has been a two-speed emancipation and it is particularly low skilled women and women from a migrant background where gender differences are most apparent. Women's poverty is also closely linked to child poverty. The persistently high level of child poverty is a key factor.

The picture has been further complicated by the serious impact on poverty of the financial crisis and austerity measures. In the first phase of the crisis the gender gaps between men and women narrowed. This was mainly because the position of men worsened due to a more rapid rise in unemployment in areas such as construction and car manufacturing. However, this trend may now be reversing as the impact of financial consolidation measures take effect. Cut backs in public services particularly hit poor women as access to public goods and services is more important for poor women than men. Also, reductions in jobs in key public services, which are predominantly female, hit women harder. The impact may also be longer term as men tend to re-enter the labour market quicker and more easily than women.

It was also acknowledged that some men (in particular single men) can experience a higher risk of poverty and social exclusion. One area where men have a higher risk is among early school leavers, the majority of whom are male. This has long term implications as in the future low skilled men will be less able to access quality jobs and will increasingly become at risk of poverty and social exclusion.

1.2 Main causes

It was stressed that gender inequalities represent a violation of the human right to live in dignity. Poverty is a denial of human dignity. A range of interrelated factors were identified as explaining the greater risk of poverty and social exclusion experienced by women. These are summarised below:

- **unequal sharing of unpaid care and housework** severely limits women's equal opportunities to earn an adequate independent income. There is also insufficient recognition of the value of care and the skills gained by carers; the lack of publicly funded care structures and policies perpetuate the gender division of care;
- **gender roles and gender stereotypes and discrimination** compound to produce unequal life chances and choices;
- **inequalities in employment** play a key role in trapping women in poverty impeding their economic independence throughout their lives. Increasing labour market segmentation affects many women, especially lone-parents and those with low skills. Women are at a greater risk of being in insecure, part-time and low paid jobs. Increasing in-work poverty is a key issue as 70% of the working poor are women. Unequal pay – the gender pay gap- persists as a major problem - women earn 16% less for equal work than men in the EU on average. The gender pay gap in Germany is still 23%. The lack of family friendly working conditions can limit access to jobs for women who disproportionately care for children and vulnerable elderly relatives while perpetuating a gender division in paid and unpaid work;
- **inadequate pensions** – the gender pension gap - are more common for women as caring responsibilities mean that they build up less credits during working life as pension schemes continue to reflect the male-bread-winner-model;
- **inadequate social protection systems** can particularly affect the position of women outside the labour market because of caring responsibilities. In addition, given the strong link between women's poverty and child poverty, inadequate child income support is also a crucial factor for many women;
- **poor access to services** is a significant factor as women depend on them more than men;
- **violence against women** increases their risk of poverty and social exclusion.

These gender differences are accumulated over the life cycle and lead to increasing gender pay, pension and poverty gaps.

2. Recommendations

The workshop discussed how the gender dimension of efforts to combat poverty and social exclusion should be advanced in the context of Europe 2020 and the forthcoming Social Investment Package. The suggestions agreed covered institutional/governance measures, specific policy areas, awareness raising and empowerment.

2.1 Institutional/Governance Measures

2.1.1 Gender Mainstreaming is not working and must be made to work. It must be put at the heart of EU policy making and the forthcoming Social Investment Package. To address this gender budgeting should be used as a tool for ensuring budgetary decisions take into account the gender dimension and address differentiated impacts. In particular gender mainstreaming should be fully integrated into:

- Europe 2020 governance: it should be a core part of the Annual Growth Survey, the National Reform Programmes, the National Social Reports and Country Specific Recommendations;
- Austerity and bail out packages: ex ante and ex post audits should be carried out when financial consolidation measures are being introduced to ensure that the increasing gender impact of austerity measures is mitigated. They should also be applied in programme countries;
- Child Poverty and Well-Being Recommendation: given that child poverty is women's poverty the forthcoming European Commission Recommendation should address gender inequalities.

2.1.2 EU Structural Funds should give an increased priority to the gender dimension of poverty and social exclusion. For instance:

- gender mainstreaming should be rigorously enforced across all funds;
- the European Commission proposal to allocate 20% of ESF funding for social inclusion measures is an important development which should be supported. These funds should provide increased support to small local projects aimed at empowering women experiencing poverty and social exclusion (as was previously done under the EQUAL and NOW programmes);
- social innovation projects should fully take into account the gender dimension and support small-scale projects that address women's poverty and social exclusion.

2.1.3 Evidence based policy making aimed at addressing the gender dimension of poverty and social exclusion must be reinforced by improving the data available and ensuring that more appropriate indicators are used (e.g. indicators developed in follow-up of implementation of the Beijing Platform for Action)¹. All data on poverty and social exclusion published by the European Commission should contain breakdowns by gender. Particular attention should be given to improving the timeliness of data and to collecting data which allows the examination of the distribution of income within households. Quantitative data on the gender dimension of poverty should be reinforced with more qualitative evidence on the situation on the ground.

2.1.4 Monitoring and reporting on progress in reducing gender inequalities should become an integral part of annual monitoring of progress towards the EU's social inclusion objectives and the achievement of the EU's target on poverty social inclusion and gender equality.

2.2 Key Policies

The higher level of poverty experienced by women needs to be addressed by improving key policies, particularly in the areas of employment, social protection, care and pensions. The position of women across the life course needs to be considered and an integrated active inclusion approach should be fostered which ensures support **both** for those women who can access the labour market **and** for those who cannot. It is crucial that social investment focuses not only on strengthening economic life but also on reinforcing social cohesion and inclusion. Increasing access to employment is very important but is not a solution for all women.

¹ Council of the European Union, Employment, Social Policy, Health and Consumer Affairs, "Review of the implementation by the Member States and the EU institutions of the Beijing Platform for Action – Indicators in respect of Women and Poverty" – Draft Council Conclusions", December 2007, 13947/07 ADD 1

2.2.1 Employment: the key challenges are to ensure that women living in poverty (particularly low skilled women, women from a migrant background, older women and lone parents) have increased access to employment, are enabled to stay in work longer and can access quality jobs. In this regard strengthening policies in the following areas will be key:

- reconciliation of work and family life, including maternity/paternity leave;
- ensuring equal pay to reduce the gender pay gap;
- tackling labour market segmentation and countering in-work poverty (e.g. through minimum wages);
- ensuring access to quality affordable child and elder care;
- promoting more equal sharing of caring responsibilities between men and women;
- increasing access to training and active employment supports;
- protecting jobs in services (which are predominantly female) at a time of austerity.

2.2.2 Social Protection: social protection plays a vital role both in preventing women falling into poverty and helping to lift women out of poverty. Thus social protection systems must be protected and reinforced. A key priority is to ensure that there is an adequate minimum income in place sufficient to live life with dignity. A second key factor in preventing poverty among women is an adequate child benefit package, particularly for those groups of women most at risk. It is also important to improve access to **essential services** that support well-being (i.e. health, education, social services, housing).

2.2.3 Pensions: urgent attention should be given to reducing the poverty gap between older men and women by ensuring equal access to pensions. In this regard, increasing the pension contributions of persons who are outside the labour market while caring for children or older relatives through a system of “care credits” should be promoted – such credits should also be available to men. Increased female participation in good quality employment (see 2.1) is also key to ensuring adequate pensions.

2.3 Raising awareness

Increased efforts should be made to raise awareness of the importance of gender equality in society. The promotion of gender equality should be recognised as a key element in social investments aimed to prevent and reduce poverty and social exclusion. More extensive awareness raising programmes should be developed, beginning in schools. Increased efforts should be made to ensure that gender equality is put at the heart of the socialisation of young women and men and that negative role models are challenged.

2.4 Empowerment of women

Policies and resources to promote the empowerment of women experiencing poverty and social exclusion must be a key part of the Social Investment Package. In particular:

- resources to support locally based projects based on community development principles should be prioritised by EU Structural Funds;
- women experiencing poverty should be fully consulted and involved in the development and implementation of the Europe 2020 strategy;

- the Social Protection Committee should draw up guidelines for good practice in the involvement of stakeholders and these guidelines should emphasise the involvement of women's groups;
- there should be gender involvement of women in decision making processes relating to social investment programme and addressing poverty and social exclusion;
- the European Commission should foster the exchange of learning and good practice on policies and projects to promote the empowerment of women;
- develop indicators on women's poverty and social exclusion on the basis of those developed in 2007 (see footnote 1).

3. Workshop on best ways to secure active inclusion

Chair: **John Cotton**, Counsellor and Member of the Social Cohesion and Inequalities of Birmingham City Council (UK)

Rapporteur: **Isabel Baptista**, Member of the European network of independent experts on social inclusion (CESIS, PT)

On 3 October 2008, the European Commission adopted a Recommendation on the active inclusion of people most excluded from the labour market, promoting a comprehensive strategy based on the integration of three social policy pillars, namely: adequate income support, inclusive labour markets, and access to quality services. Four years after the recommendation, it has been possible to identify some main challenges of active inclusion implementation in the Member States, such as in adequacy, low coverage, and non-take-up of minimum income support, in-work poverty, insufficient access to services, or lack of an integrated approach.

This workshop aimed at promoting an enlarged discussion with participants covering several broad policy areas and directly addressing three main challenges:

- How to effectively implement comprehensive integrated active inclusion strategies?
- How to reach out to the people at risk of poverty, ensuring adequate livelihoods, enhancing activation and mutual responsibility in social protection policies, thus contributing to more effective social inclusion?
- How can structural funds contribute to integrated active inclusion strategies?

The workshop presentations helped to identify successful approaches to the different challenges identified and promote a lively debate around them, namely on how to successfully develop these approaches from the local to the European level. From the discussions held it has been possible to identify several key concerns and corresponding messages voiced by the different stakeholders participating in the workshop.

1. Implementation of comprehensive integrated active inclusion strategies

A broader and more multi-dimensional active inclusion approach can address the increasing challenges arising from the impact of the crisis and of the austerity measures as regards labour market integration, by improving active labour market policies and reintegration support services,

particularly for those furthest from the labour market. Going beyond labour activation measures and actively promoting pathways to social inclusion addresses the needs of those who are not able to work and enables their participation in society.

The participants highlighted the need for a **strong political commitment** at the governments' level in order to ensure the actual implementation of such comprehensive active inclusion strategies.

Several examples from successful local initiatives presented and discussed at the workshop highlighted the success factors in the implementation of integrated comprehensive active inclusion approaches, such as:

- Building effective stakeholder and community partnerships creates mutually reinforcing synergies between the diverse and multi-disciplinary competencies of stakeholders and ensures local support;
- Working from an empowerment perspective enables individuals to strengthen their confidence and to improve their capacity, turning opportunities into choices;
- The inclusion of social clauses in public procurement initiatives may encourage the promotion of active inclusion approaches both from the public and the private sector; at the same time it encourages the involvement of the "demand" side of active inclusion stakeholders.

2. Reaching out to the people at risk of poverty and ensuring adequate livelihoods

The need to improve the adequacy of income support was a priority identified by the different stakeholders during the workshop. The adequacy of the income component of the active inclusion strategy is crucial to ensure adequate livelihoods and to allow people to move out of poverty.

The presentation of the Irish experience regarding the development of reference budgets triggered a debate on adequate livelihood. The main messages arising from the discussion can be summarised as follows:

- Developing minimum income budgets is important to inform the debate on the social, economic and political costs of not having an adequate livelihood;
- Building on existing successful practices and methodologies for establishing adequate minimum income standards provides an opportunity to draw on diverse expertise taking into consideration the diversity of situations experienced by households and to foster the participation of a wide range of stakeholders;
- Simplifying processes and procedures, namely by establishing single access points encourages the take-up of benefits and services, ensuring a better coverage of eligible clients and alleviating administrative burden;
- The use of existing information tools and systems should be enhanced in order to pro-actively inform citizens about their rights.

The need for a sustained and comprehensive approach with the active involvement and commitment from all actors was another of the strong messages regarding this topic. From a social inclusion perspective participants highlighted that it is crucial to promote a more balanced approach between labour and social activation.

Key messages:

- Raising the quality and accessibility of services (e.g. housing and health) and better targeting the most vulnerable groups;

- Developing of local partnerships in order to foster innovation and to ensure people's diverse needs are addressed;
- Adopting people-centred approaches that build on capabilities (while recognizing deficits) in order to ensure that citizens become active players of their own professional and personal development;
- Ensuring that tailored support is based on the identification of needs through consultation with clients and providing coaches with specialized training support in order to adequately provide the multidimensional reintegration support services needed;
- Stimulating social economy initiatives as a way of creating more opportunities for those furthest from the labour market.

3. The contribution of Structural Funds to integrated active inclusion strategies

The strongest message arising from the workshop discussion on this specific topic was that there is room for an enhanced role of EU Structural Funds in promoting social inclusion and in encouraging the development of integrated approaches to active inclusion. Structural Funds have played a critical role in the development of active inclusion measures in many countries, and in those countries strongly affected by “austerity packages”, this role must be strongly enhanced.

Key messages:

- The role of Structural Funds in supporting the development and implementation of all three strands of active inclusion should be enhanced;
- Adequacy, sustainability and flexibility should be key dimensions in the allocation of Structural Funds;
- The Structural Funds should strongly support the local implementation of active inclusion projects and adjusting the financing needs to local conditions (e.g. existing partnerships and community dynamics, the value added of small and innovative initiatives, flexible implementation);
- The Structural Funds should foster the development of broad strategic and sustainable approaches to active inclusion initiatives through the involvement of NGOs partnerships and the active participation of excluded people.
- Early investment in social inclusion dimensions such as education, training and support services to children and young people should be given special attention in the allocation of Structural Funds;
- It is crucial to promote the visibility of outcomes and strengthen the evidence-based social impact assessment of project’s implementation in order to guide future investments;
- The broader approach of active inclusion should be a key part of the proposed minimum 25% earmarking of Cohesion Funds to the ESF.

A final message was voiced by the participants, echoing concerns expressed in the plenary session: a “golden rule” is needed at the EU level setting the limits below which social spending should never fall, particularly during crisis and austerity times.

4. Workshop on the case for e-inclusion: How digital technologies can enable social inclusion

Chair: **John Holloran**, CEO of the European Social Network

Rapporteur: **Hugo Swinnen**, Member of the European network of independent experts in social inclusion (LU)

This report will not be fully chronological. After the workshop proceedings, it will go into the key messages of the different presentations, descriptions of projects and initiatives. The workshop topic description and the full PowerPoint presentations of all speakers are elsewhere on the Convention's website. The debate will be summarised under a few topics and followed by overall conclusions.

1. Workshop proceedings

John Halloran (chair) started the workshop by stressing the importance of the topic and suggesting focusing presentations and discussions on barriers and opportunities with ICT, but most of all to look at strategic issues: where to go to in using ICT for social inclusion. He then introduced the three sessions of the workshop's programme and its related speakers. He suggested to have a debate at the end of each session.

1. Introductory presentation + importance and opportunities of ICT for individuals
 - a. Ms. Clara Centeno (EC Joint Research Centre – Institute for Prospective Technological Studies) sets the scene for the workshop and its first session;
 - b. Ms. Mieke Barbé presents Telecentre Europe and the Global Libraries Programme;
 - c. Mr. Manus Hanratty presents the Irish initiative FIT (Fast Track to IT) Ltd.
2. The importance and opportunities for organisations
 - a. Mr. Paul Waller (Delivery innovation team – city of London) presents the possibilities of ICT innovation in front line public services;
 - b. Ms. Clara Centeno asks more in general how ICT can support the third sector;
 - c. Mr. Christopher Worman introduces Techsoup Global, a company that provides digital technology for social actors.
3. The way forward: opportunities and challenges
 - a. Ms. Clara Centeno presents a few opportunities and challenges of ICT for social inclusion.

2. Key messages of the presentations

Clara Centeno insisted on the fact that digital technologies became crucial in everybody's daily life and represents a huge diversity in the fields of information, communication, networking, interaction, learning, promoting autonomous living, etc. She linked the development of digital technologies to social innovation and social inclusion and identified three major groups of stakeholders: target populations – intermediary actors – developers of policies, instruments and tools. For vulnerable groups digital technologies can play an important role in empowerment and skilling, in building social capital and getting socially included, and in the access to resources and services. Ms Centeno mentioned many examples of smaller and bigger initiatives in each of these domains. Finally, she elaborated on the possibilities in the field of informal care, using examples of initiatives in different countries and for different aspects of the issue.

On behalf of Civic Agenda, Telecentres-Europe, the Global Libraries team and the Bill & Melinda Gates Foundation **Mieke Barbé** then followed with the presentation of Telecentre Europe and the Global Libraries Programme. The basic message here was that public libraries and telecentres help prevent a further widening of the digital divide by providing free public access to information technology, online resources and digital skills training which has the capacity to deliver the benefits of these advances to even the most disadvantaged communities. Mieke Barbé illustrated this message with concrete examples in Poland (ICT skills and job search), the UK (homeless and ICT use), Romania (rural areas – support of farmers), Bulgaria (more autonomy for the mentally disabled) and Latvia (ICT tools for the visually impaired). She also presented a study on the promotion of employability and social inclusion of immigrant women in Hungary, Italy, the Netherlands, Spain, and Romania via ICT.

Manus Hanratty presented the success story of FIT (Fast Track to IT) Ltd. In Ireland, a government-industry partnership combats poverty and social exclusion through IT training for employment and e-Inclusion. It addresses the double challenge of the rise in unemployment – especially long-term unemployment – and the shortage of skills. He underlined the importance of including business partners: they developed the course curricula. The role of government support was to give access to the target population, to provide the actual training and the funding. A small team of committed organisers is the linking pin for the training and insures job placement and personal follow up during three years. During its 12 years in operations, FIT trained 16,000 persons for employment (9500 are in employment, 2500 pursued further education – 70% success); 30,000 participated in IT training for e-Inclusion. He insisted on the fact that FIT can help government to save some € 300 million over 20 years by bringing unemployed people back to the labour market: the best way out of poverty as he put it.

Paul Waller introduced the importance of ICT as a possible catalyst for public service innovations. He described the way in which front line social services for the deprived populations have been transformed in order to improve delivery and impact. He stressed the importance of involving all relevant stakeholders in all stages of the innovation process. As major success factors he mentioned: public authority leadership, a structured innovation process and the capacity to deliver. As example he showed an e-mentoring programme for youth leaving social care institutions, where ICT had an added value because of its anonymous interface and permanent accessibility.

Clara Centeno followed up on this by giving an overview of how ICT can support third sector organisations, since they play a key role in social inclusion initiatives. Many small, medium and ephemeral organisations “under the radar” are carrying out social innovation through the use of ICT (not for profit, addressing social needs not addressed by public or commercial sector, through experimentation). In social service delivery organisations, ICT can play a role in coordination and networking, in monitoring and research, in the supply of solutions and services.

Christopher Worman described the activities of the social enterprise Techsoup. Existing for 25 years, currently operating in 52 countries on 6 continents it gives digital technology support to civil society organisations and (other) social service deliverers. He gave examples in the fields of connectivity (linking Roma communities online), services (transparency in public health), data (real-time data aggregation), skills (employment and empowerment) and democracy (voter education, citizen action). In his view the question is not IF digital technology is influencing our space, but HOW we could make the best use of it.

Clara Centeno formulated a number of key opportunities and challenges. She underlined the huge potential of digital technology for better reaching out to the most vulnerable, for innovation in social practices, for supporting volunteers and volunteering. She also emphasized challenges, such as the lack of awareness about ICT's potential, the relative isolation of many innovative initiatives and their fragile financial sustainability, the persisting digital divides and the under developed impact assessment.

3. Debate

Basic resources and spin-offs

A first topic of debate was about the importance of basic ICT access to resources. It was argued that while the Convention kept its focus on big players such as telecentres and public libraries, there are other more innovative initiatives that deserved attention. Although many so called "under the radar" examples were given by several speakers, it was repeated that the importance of free access to ICT in as many local communities as possible cannot be overestimated. Many (vulnerable) people's first contact with digital technology is indeed via these free public access places. Moreover, many training and support activities are organised to enhance the IT competences of the general public and to concretely support social inclusion and employability. Two examples were shortly presented by participants to illustrate the importance of local free ICT access. Both examples - one in Bulgaria, the other in Romania - were about the provision of ICT in local libraries, combined with training and job search support.

Professional and/or mutual support

A question mark was put after the position and role of professionals in ICT access. Many – also vulnerable – people do not need professional support to learn how to use digital technology! A person experiencing poverty noted having the impression of trainers living at her expense. Moreover, as an example in the city of Ghent (Belgium) demonstrates, it could be more effective to learn how to use ICT from a peer (same situation, family, neighbour) than from a professional. In Ghent, a number of vulnerable people were provided with computers and access to the internet at home, while a few (ex-) homeless people were trained in ICT in order to help them use the digital technology in their daily struggle for life. The results were very promising because people were not put in a formal training setting, which made them feel much more comfortable. When asked about the usefulness of the training, they responded by saying "I got no training; I was just helped out by somebody".

In other settings, however, the presence and support of professionals as intermediaries and trainers has proved to be very effective.

The importance of employment

Having a job is seen by many as the best and most reliable way out of poverty. As demonstrated by the FIT initiative, ICT skills are of great help to increase the employability and actually to find a job for many unemployed people. And although such initiatives are not THE solution for all unemployed people, it has to be recognised that even in the current economic crisis there is still a significant unfulfilled demand for people with ICT skills.

But there was also strong criticism about the dominant employment discourse in the social inclusion debate. Social inclusion should be about (much) more than employment, so is the argument. Employment is a way into inclusion and not the other way round. Moreover, when emphasizing employment, one also has to look into the quality of the employment offered and the fact that employment does not always prevent poverty.

Information and data flows

Digital technologies provide great possibilities for gathering and distributing data and information in all directions, it was argued. One participant insisted on the importance of providing citizens and their organisations with adequate data and information that could underpin their actions. It would help to break through inertias and to enhance capacities for action. While extensive information is available, this is often excessively rich and confusing to be of real use. At the same time, the use of ICT and in particular social media provide opportunities for real-time bottom-up (from “real” people) collection and aggregation of data and information. Policy makers and professionals should “go where the people are (e.g. social media)” and not always trying to pull people into their own ICT systems. But to make such data and information collection useful and an effective instrument, there is a call for new visions and strategies, as well as for mediators to make it work. Work processes have to be adapted and transparency enhanced.

Asked about problems related to the use of social media (such as privacy issues) participants argue that these problems have to be tackled of course, but that they should not be used as an excuse for not going into using these public tools. An example was given from the Netherlands where a “debt-buddy” project (volunteers helping people with debt problems) targets advertising on the internet about its support services using information from mail-order firms about areas where much over indebtedness is situated.

Partnerships

Several speakers and participants insisted on the importance of partnership building to make ICT profitable for social inclusion. If partnership approaches are crucial in all social service delivery, for e-inclusion partnerships with perhaps unusual actors are to be looked for. Private partners, such as IT companies, internet providers, interaction designers enter into the scene. Some of the biggest players are already aware of their social responsibilities, but others still have to be convinced. Since many of these are international players, EU policy makers could play a role in getting them on board.

It was argued that it is important to link the third sector so-called “under the radar” initiatives to government at different levels to make wider use of their knowledge and successes possible. It is increasingly the case that these initiatives have to cope without public (financial) support, which often prevents them from becoming visible to policy makers at other than local levels. The way forward is to break through the project model and to get innovations embedded in regular practice.

4. Conclusions and recommendations

The conclusions and recommendations from the workshop could be summarised in the following nine points.

- The use of ICT has become crucial for every citizen in daily life, but also for social participation and for the inclusion in the world of work, but the awareness about the potential of ICT for social inclusion still needs to be increased.
- For individuals, ICT has an added value in empowerment and skilling, for improving social capital and for providing basic access to resources.
- People experiencing poverty should be involved as ICT trainers for their peers.
- For organizations, ICT has an added value in improving and changing existing methodologies, better reaching target groups, for coordination and monitoring.
- The redesigning of social policies and social protection and services strategies should building upon the many good practices and innovative initiatives on the ground supporting individuals and organisations via ICTs.

- A major success factor of making use of ICT is the collaboration of many stakeholders including public, private and third sector actors, both professionals and volunteers. The EU should motivate huge players to join in.
- The use of ICT should go beyond digitalizing existing practises and make use of the tools that people use in daily life (social media); related risks are to be mitigated, and do not constitute an excuse for not using these tools.
- To make the use of ICT feed into the development of work processes and policy strategies, sufficient attention has to go to investment in ICT management and to the role of mediators and intermediaries.
- Measuring the real importance of the ICT both in terms of short term outcome and long term impact remains a challenge.

14.30 – 15:15 Plenary session: "The effects on inequality on society"

Key note speech by Richard Wilkinson, Emeritus Professor of Social Epidemiology, University of Nottingham (UK).

In this speech, entitled "Inequality: the enemy between us?", Professor Wilkinson set out the main thoughts behind his recent book *The Spirit Level: Why Equality is Better for Everyone*, which he-co-authored with Kate Pickett.

Its main purpose was to try to understand what inequality does to people. Although developed countries are living in unprecedented comfort and luxury there is a mismatch between material success and happiness of its people and this phenomenon was particularly evident in countries with large disparities of wealth. "If you increase income differences you get more of a range in health and social problems and less social cohesion," he said. Behavioural problems such as violence occurred at all social levels but data showed that the lower income groups of less equal societies experience a lot more of it than the wealthier ones. "If you look at the countries with big income differences they have more of these problems," the professor said. "The problems associated with low social status are related to social status itself: it's a cycle of diminishing returns."

Data also showed conclusively that life expectancy in rich countries is no longer related to national income per capita. There is, for example, no difference in life expectancy between Portugal and the United States, even though gross income per head in Portugal is half that of the United States. And yet, as an example from the UK suggests, within rich countries there are differences of five to twelve years in life expectancy between the wealthiest and the poorest. "This is the biggest human rights abuse in our societies," the professor said.

Indeed, stark differences in inequality can be seen between developed countries. In the least equal countries of those surveyed (Singapore, United States, Portugal and the UK) the richest 20% of the populations enjoy incomes that are twice or three times those of the richest 20% of the populations of the most equal countries (Japan and the Scandinavian countries).

According to extensive and detailed analysis, many of the indicators of the success of a society are dependent not on how wealthy a society is, but how equal it is.

Data, from a variety of sources, showed that health and social problems are worse in the more unequal countries. "What we are looking at is not a tendency for one or two things to go wrong in unequal societies: we are looking at a general pattern of social dysfunction in unequal societies," Professor Wilkinson said. Other data showed that neither health nor social problems are related to

national income per head. Also, child well-being is better in countries that are more equal and is not related to national income per head. Furthermore infant mortality rates and teenage birth rates are higher in more unequal countries (the US teenage birth rate is ten times higher than Japan's).

Meanwhile, data from opinion surveys showed that people in more unequal countries trust each other less. This pattern of distrust is repeated within the US, where people in the more unequal states trust each other less than the inhabitants of the more equal states. Following this same pattern, other data clearly show that homicide rates are higher in the more unequal US states and Canadian provinces, and imprisonment rates are higher in more unequal countries,

Regarding health issues it has been assessed that mental illness is more common in more unequal countries than in more equal societies. The prevalence of mental illness in the US, one of the countries with the highest rates of income inequality, is three times higher than in Japan, which is one of the most equal countries.

Final compelling data is that related to social mobility. It is clear from data and researches that social mobility (the link between the social situation of parents and their children or 'do rich fathers have rich sons?'), in a given society is lower in more unequal countries.

In summary, bigger income gaps lead to deteriorations in social relations (child conflict, homicide, imprisonment, social capital and trust), health (drug abuse, infant mortality, life expectancy, mental illness and obesity) and human capital (child wellbeing, high school drop outs, maths and literacy scores, social mobility and teenage births).

Professor Wilkinson continued by showing an analysis of incomes at the world's largest companies (the companies quoted on the FT100 index) which showed that the pay of the chief executives of those companies is currently 300 times higher than the pay of the worst paid employees in those companies. "There is no better way of telling people they are worthless than to pay them one third of one per cent of the pay of a chief executive officer," Professor Wilkinson said.

He continued by underlining that in the 1950s, the US was a country with relatively high income equality. However, this equality eroded dramatically in the following decades and the US is now one of the world's most unequal countries. An analysis of pay levels in the top 350 US companies shows that, between 1979 and 2007, the income of the top 0.1% of the workforce increased by 362%, the income of the top 1% increased by 156% and the income of the bottom 90% increased by 17%.

The main question is what could be done to improve the situation?

First of all, income differences before tax could be made less stark through a more progressive income tax regime and higher benefits. Stronger trade unions would help to achieve greater equality as an increase in company democracy and employee ownership would be beneficial, as would greater reliance on internal promotion within companies. Measures against tax avoidance and a curtailment on the use of tax havens are very much needed to create an environment where everybody pulls their weight.

At the end of his presentation, Professor Wilkinson took questions from the floor. He explained that the bonus culture commonly found in the banking and financial services industry had come into being because the people at the top of companies felt completely unconstrained in their wage demands. "They feel that they can do whatever they want," he said. A Polish member of the audience said that given a choice between more equality or growth, many people in Poland would prefer growth. In response the professor said that it was not an issue of choosing between equality or growth but that "Most [research] papers suggest that greater equality is better for growth," he said.

15.15 – 16:30 Panel on Europe 2020 strategy and Annual Growth Survey: How to improve stakeholders' participation

Egbert Holthuis, Head of Unit, DG Employment, Social Affairs and Inclusion, presented the role of stakeholders in the Europe 2020 strategy. Data on the key features of the social and economic situation in the EU in 2012 were also presented. This emphasised the absence of GDP growth, high level of sovereign debt, decreasing government deficits, rising unemployment as well as rising levels of poverty and social exclusion. Mr Holthuis emphasised that the success of the Europe 2020 targets (including the attainment of 75% of 20-64 year-olds in employment and the reduction of at least 20 million people in or at risk of poverty and social exclusion by 2020) depends on the active involvement of all sections of society. To this end, there are different meetings set up at the EU level under the umbrella of the Poverty Flagship between the European Commission and stakeholders with the objective of sharing information in a transparent manner and discussing future actions. Such structures should also be established at Member States level as it has been advocated in the Europe 2020 strategy.

Muriel Rabau, Social Protection Committee Vice-Chair, said that consultation is held in member states with social partners and stakeholders but that the process “hasn’t really gone that far”. While there has been a “distinct improvement” in levels of participation in some Member States, there has been less consultation than before in some other countries and “hardly any at all” in others. “We need to get our thinking caps on,” Ms Rabau said, “and really consider how we can assist people to be more involved and how we can encourage participation. We need to look at the reasons for this downward trend.” It should be asked whether this trend of less consultation with stakeholders and social partners was due to smaller budgets.

Ms Loes Van Embden Andres, Chair of the Social Protection working group, Business Europe, said that while the EU was facing what is widely considered to be the most serious crisis of its existence, “the differences between Member States are huge. A one-size-fits-all approach is not applicable.” BusinessEurope has a strong interest to be consulted on labour and social issues at both the European and national level. With regard to the European Semester, BusinessEurope has been satisfactorily consulted. The current context of increasing economic governance means more consultation is required with employers and trade unions. If social partners are properly consulted, it creates a win-win situation for all. Ms Van Embden Andres advised social partners to provide constructive contributions to ensure that their voice is heard.

Virginie Toussain of the European Centre of Employers and Enterprises providing Public Services (CEEP) said that the work of social partners is key to achieving the Europe 2020 poverty reduction targets. The first priority is job creation, although this is only “part of the solution”. The CEEP believes that the way social partners are involved at the European level, such as their involvement in the Annual Growth Survey, is not sufficient. The creation of high-quality and sustainable jobs helps to promote inclusion and “is a key part of the answer”. The green economy could also form part of the solution and the CEEP is in a position to play an important role in this regard. Corporate Social Responsibility is fundamental to CEEP, and is employed in many areas including in the creation of jobs in the social housing sector.

Claudia Menne, Confederal secretary of the European Trade Union Confederation (ETUC), said that the ETUC fears that the Europe 2020 poverty reduction targets will not be achieved, or at least, not by 2020. A large number of industrial workplace jobs have been lost over the last two years and there is a high risk that unemployment will continue to grow. Information from Member States on their progress towards achieving the poverty reduction goals was hard to find. “Maybe they don’t want to show how far they are from reaching their targets,” Ms Menne said. Member States should report back on what they are doing to achieve the targets. With regards to social governance

instruments, strong economic governance without addressing social issues is not sustainable. Currently the social dimension is being neglected. "New actions may be necessary," she said. The ETUC is consulted at the EU level in a structured way, but there is a trend of less social dialogue. "In some countries there is a high risk that dialogue does not take place with regard to employment and other issues," Ms Menne said. The ETUC is currently trying to assess how social partners are involved at the national level when National Reform Programmes are drawn up.

After discussing current concerns about in-work poverty, precarious working conditions, low pensions and child poverty, Ms Menne stated that the ETUC is in favour of the implementation of minimum income standards in order to tackle long-term unemployment. This could be particularly beneficial in countries where claimants' unemployment benefits are often withdrawn after three or four years of unemployment.

Fintan Farrell, Director of the European Anti-Poverty Network (EAPN), said that there are serious structural faults in the consultation of stakeholders at the EU level. A European Convention against Poverty and Social Exclusion, however well organised, is not able to overcome all this. Nevertheless, the Annual Convention is still important.

Mr Farrell discussed the financial and economic crisis as a humanitarian crisis. "We need an emergency response to an emergency situation," Mr Farrell said, criticising what he considers as "a complete failure to respond to the real causes of the crisis".

With regard to assessing progress towards the Europe 2020 poverty reduction goals, Mr Farrell said that it appeared that in most Member States there had been no distinct national stakeholder process implemented or coordination with national and EU inclusion strategies. What is needed, according to Mr Farrell, is an honest assessment of the real causes and impact of the crisis. Social needs need to be mainstreamed and there should be a distinct EU anti-poverty strategy. He also emphasised that the knowledge of people experiencing poverty is essential to the stakeholder process and that investment would be necessary to effectively share this knowledge. Furthermore better indicators and guidelines on participation are required. There is a need to take the Europe 2020 process seriously with a coherent social investment package and effective stakeholder participation. Mr Farrell said that it should not be assumed that stakeholders had approved the social investment package by virtue of their attendance at this year's Convention as they first need to see the full proposal before undertaking a proper assessment.

During the ensuing discussion one member of the audience suggested that the panel lacked representatives from the social economy. In response, Toussain said that the panel could be considered as legitimate as it included representative employers that were engaged in helping to fight social exclusion in fields such as transport and housing.

The timeliness of stakeholder engagement was a key point raised by the audience (Heather Roy, Eurodiaconia). Stakeholders must be able to participate at the right moment so that they can define and share experience in the national reform programme process. NGOs are asked to comment but often at the wrong times having been excluded from consultation at earlier stages. Ms Roy added that networks should be involved in responding to country-specific recommendations both in their monitoring and working in partnership when recommendations have not been implemented. Ms Rabau said that the Social Protection Committee was engaged in written and oral consultation.

Certain countries were highlighted as successfully involving stakeholders. In Belgium, for example, the social partners are directly involved in establishing the provision of services, and evaluating effectiveness. The consultation process had been designed to bring in their expertise and to enable political authorities to have some input. There is a Belgian platform to combat poverty, which meets with social partners and stakeholders four times a year. This platform is a driving force for new

proposals and pinpointing key proposals on how to tackle poverty. Mr Farrell pointed out that many of the 2011 Convention proposals had not been followed up on in most Member States, including the proposal to set up of platforms in each country. In most countries, the type of involvement seen in Belgium does not exist. “Belgium is an example of good practice,” he said.

The current shift in power away from social affairs and labour ministries and towards finance ministries was described as a challenge for stakeholder involvement (representative from the European Women’s Lobby). Ensuring this power is returned is crucial for stakeholder involvement to progress. In this regard, the Social Investment Package could become fundamental to linking the traditionally separated social and the economic concerns of ministries and departments.

Summary

Structured stakeholder participation needs to be strengthened at EU and national level to allow stakeholder participation in Europe 2020 monitoring. There is a need to investigate and understand the reasons why less consultation is taking place and to examine what could be done to encourage more participation. It was proposed to organise a dedicated meeting on this topic in the context of the Platform's stakeholder group.

17.00 – 18.00 Panel on how the Structural Funds can contribute to the implementation of the Social Investment Package

Andriana Sukova-Tosheva, Director at DG Employment for Social Affairs and Inclusion, stressed that cohesion policy funding is of key importance for growth and jobs. The European Social Fund (ESF) has served to cushion the social impact of the economic crisis - 10 million people have received support of one kind or another. The European Commission is now preparing a legislative framework for how best to use the ESF in 2014-2020, and how to fashion a better instrument to help achieve the 2020 targets that include lifting at least 20 million people out of poverty across the EU. A new Structural Funds framework strategy is being developed to facilitate partnership and stakeholder involvement. It must ensure that enough is spent on supporting the capacity-building of NGOs, especially those dealing with education, employment and social inclusion.

Michael Ralph, Advisor, Directorate General for Regional Development, commented on the current European Regional Development Fund (ERDF) programming period. Significant financing has gone towards promoting social inclusion and combating poverty – some €18 billion, of which €10.5 billion were allocated to 12 EU countries in the key areas of education, childcare, housing, and health and social infrastructure. The Europe 2020 strategy means pushing for an integrated approach in the use of funds, aimed at marginalised groups like the Roma. “*Ex-ante* conditionality” is applicable to both ERDF and ESF, and Member States should have strategies in place so that money goes to poverty reduction, health and Roma issues. Another key future action is to reduce regional disparities and foster desegregated education. The territorial dimension has been enhanced over the next programming period, with an overall strategic document to offer an integrated approach to areas most affected by poverty. The urban dimension, too, is much reinforced. Five percent of funding has been recommended for the challenges facing urban areas.

Zornitsa Roussinova, Bulgaria’s Deputy Minister for Labour and Social Policy, and Chair of the Monitoring Committee of the ESF in Bulgaria, stressed that Bulgaria faces stiff social challenges, with unemployment rates higher than the EU average. Bulgaria, receives €1.4 billion of ESF, with measures targeting access to quality education for children and youngsters from vulnerable groups, and access to employment. So far one in 10 people has benefited from the funds. Without ESF

support, unemployment rates would be at least 1% higher. Another area being promoted thanks to the ESF is access to quality social services. In 2010 more than 6,000 unemployed found jobs, more than 275,000 unemployed took part in training courses, and more than 48,000 received home and community based social services. The Bulgarian municipalities have been good partners. With ESF help, more than 90 social enterprises have been created.

Costel Bercus of the Roma Education Fund (HU), reminded listeners that Roma represent some 10 to 12 million people across Europe, mostly in Central and Eastern Europe. Many Roma children are never enrolled in school and participation in preschool education is extremely low. Only 2 percent of Roma students graduate from universities. As a result, a vast human capital is being lost. The Roma Education Fund has been working since 2005 to bring change in 14 countries. They have spent €20 million, count 400,000 beneficiaries, and have spent €50 per capita. They opened a test office in Romania to see how to make Roma inclusion more effective, with two successful programmes: one addressing primary school education, the other addressing transition from primary to secondary education. They reached out to 4,200 children, engaging parents and stakeholders, and working with local NGOs, while also making use of Roma mediators. But he said that working with European Commission and government money is difficult. The Fund is firing staff and cutting down on programmes, as the Romanian government is not helping them reimburse their bridging loan. Plans to open similar offices in Bulgaria and Slovakia have had to be scrapped.

Questions from the audience:

A representative of the Disability Forum: “Can the European Commission better defend its work vis-à-vis colleagues in the European Parliament? Because of regulations, many good anti-discrimination principles are not implemented, and the monitoring of funds is not adequate.”

Ms Sukova-Tosheva: “We’re doing our best to convince Member States that this is to everyone’s benefit. The European Parliament and the Council have agreed that non-discrimination will involve specific actions in the next financing period. The Council has now taken this on as an obligation. Spending needs to be monitored, and we need specific indicators as to results. 10 million people received support last year”.

A representative of the World Bank: “The ESF has important instruments for social inclusion, but they are complex to use. The use of several financial instruments is a key to success. Our concern from experience is that it is very complex for governments to access these funds and infinitely more difficult for marginalised communities. How can we make sure the funds get rightly channeled?”

Ms Sukova-Tosheva: “Governments are part of the discussion on regulations, not just the European Commission and Parliament. On top of EU-level rules, there are additional national rules, and that’s where possible delays can occur also. Member States want to be sure that any payment is delivered to the right people under the right conditions.”

Mr Bercus: “The ESF system is inefficient. People working in the system are controlled politically. The European Commission has to rethink why this fund is not reaching the people we want to target, migrants, people with disabilities, minorities. We have to change the way of doing business. National politicians do not like global grant facilities because they aren’t within their control. The European Commission must open up opportunities for international institutions with the knowledge.”

Ms Sukova-Tosheva: “The European Commission cannot intervene with governments on how to handle funds. It is spending public money and therefore it can't be given freely and without control.”

Ms Roussinova: “Compared to money we receive from the World Bank and other donorship programmes, the structural fund amounts are much larger, and we have tried to find innovative ways

to spend the money. In Bulgaria, among other things we have a voucher system for training employed and unemployed people.”

Mr Ralph: “A good example of collaboration is a current exercise between DG REGIO and the World Bank about poverty mapping, seeing where the greatest needs are in geographical terms, and thus improving the targeting of funds.”

Ms Roussinova, in answer to a question from the Bulgarian EC office about what her country has done for Roma people: “We try to prevent early dropouts and bring children back to school, we support Roma education mediators, bilingual programmes, we help teachers get better school results, and we work with parents to encourage them to bring their children to school. We also have rigorous checks to make sure that the social benefits are going to the right people.”

Mr Bercus: “We have worked for three years with DG REGIO funds to address the educational needs of Roma children at preschool and primary levels, and the right ingredients include working with dedicated teachers to deal with cultural barriers and language difficulties at school, and also helping parents overcome those barriers.”

A representative of the European anti-poverty network: “Is the money having the right results, how well are partnerships with civil society working, what about financing on the ground? Our experience is that money goes to the bigger projects, what can be done about that?”

Ms Sukova-Tosheva: “We want all partners to be involved, but we can’t intervene with the implementation of programmes at Member State level. For the next financing period, the European Commission has shared with Member States via a position paper what is expected to be set as funding priorities. “

Ms Mary Collins of the European Women’s Lobby: “If the money is not all spent, would it be possible to have a breakdown of how much hasn't been spent in each country and how could NGOs could access it? “

Ms Sukova-Tosheva: “The money that isn’t spent is not available, it’s part of an operational programme that has been approved and that continues until end 2015. It’s already dedicated.”

9:00 – 10:30 **Ministerial session with EU Ministers and Secretaries of State: Debate on the priorities on social investment in Member States**

Ms Jacki Davis, Moderator of the session, began the session by summarising some of the key messages that had come out from the convention workshops before putting the first question to the panel: *“What do you see as the key challenges to effective social investment, and what would you highlight among the recommendations from the workshops?”*

Ms Marisol Touraine, French Minister for Social Affairs and Health, said that reducing poverty and promoting social engagement and investment are key priorities for France. All citizens should be able to access social benefits, health services and housing. Other priorities for France include the good integration of migrants, helping single women and families with large numbers of children.

France will work with different stakeholders as part of a participative process and as part of a five-year programme. France also wants to see the implementation of policies which are tailored to specific areas of France. “We want to see results in every region of our country,” Minister Touraine said.

Exchange of information is needed at the EU level but also at grass roots level, regular and precise indicators are needed to measure progress.

Ms Karen Haekkerup, Danish Minister for Social Affairs, said that it was important to focus on what works and that money spent on improving people’s living conditions was money well spent. “It’s a good thing to spend money to prevent people from having to live in social adversity,” she said, “It’s a good thing for society as well.”

Denmark’s 98 municipalities currently offer different social programmes and it will be useful to evaluate which of the policies adopted have proved most effective.

Mr Pedro Mota Soares, Portuguese Minister for Solidarity and Social Security, said that the Social Investment Package was very important as a much needed long term approach, but priority areas for social protection need to be safeguarded in the meantime. The inclusion of representatives of social partners and civic society is crucial. Without this, it is not possible to implement reforms successfully. Fairness and equity need to be hardwired into social policies.

As a programme country, Portugal needs to implement fiscal consolidation but it also needs to ensure that money earmarked for social programmes is directed to citizens in need. It should not be redirected and end up being used to recapitalise the country’s banks. “We have to provide adequate levels of social protection to the most vulnerable,” the Minister said, because “Investment in social cohesion does contribute to growth.”

Mr Audrius Bitinas, Lithuanian Vice-Minister for Social Security and Labour, said that Lithuania is in the process of adopting long-term plans and further legislation at the national level is needed to reform social protection systems.

The recommendations that came out of the workshops on the gender dimension of poverty and e-inclusion were the most important for Vice-Minister Bitinas. Regarding gender, it was necessary to establish the requirements of different age groups and tackle intergenerational inequality as well as ensure equality between men and women. The elderly suffer a high degree of poverty, and often their expenses are higher than their pensions. It is crucial that older people be allowed to work as long as possible. Regarding e-inclusion, Lithuania has recently set up an employment agency for older people, which has created a website advertising vacancies that are suitable for older workers.

Ms Maria Larsson, Swedish Minister for Children and the Elderly, Health and Social Affairs, said the recommendations from the workshop on health investment were especially important. Good health is a key determinant of social and economic health and wellbeing. “Investing in good living conditions for all children is the key and one of the most important investments for the future,” she said. This includes investing in parental support, quality childcare and education for all children as well as elderly care. This would help to reconcile the competing demands of work and family life and help to promote female labour market participation. Minister Larsson stressed the importance of involving those affected by policy measures. “Success can only be reached if it really meets the needs of those affected,” she said.

Ms Jan O’Sullivan, Irish Minister for Housing and Planning, said that it was important for Ireland “to ensure that social issues are not left behind and that economic elements do not take total precedence. She said that Ireland is ‘very near the end of the tunnel’ and that throughout the process of budgetary reform, “it has been important to ensure that social issues are not left in second place.”

Since the mid-1990s Ireland has had a “poverty-proofing” strategy in place (where policies are assessed according to their impact on poverty levels) with strong stakeholder involvement. For example, housing and urban regeneration programmes had strong stakeholder and user involvement. Evaluating outcomes, measuring progress and enabling stakeholder involvement ensures that social policy is successful and does not get left behind.

Minister Touraine added that France also considers it important that social issues do not take second place to economic issues. Budgets for social issues in France have been maintained throughout the financial crisis and, in some areas, had even been increased. Efforts must be focussed on specific sections of society. It is important to ensure that policies are more effective than in the past, and that they are tailored to the specific situation of those in need.

The second question put to the panel was: “How important is best practice and what is currently being done in your own country to address effective social investment?”

Minister Mota Soares said that fostering best practices is important but there is a need to establish what constitutes best practice in some areas. Portugal has put in place a four year social emergency plan with five priority areas: vulnerable families facing unemployment, elderly people on low incomes, the unemployed, volunteering, and showing social solidarity with NGOs. There are specific answers to these social problems, but innovation is also required. Portugal now has a social rental market, whereby empty houses are used to house families in emergency situations. Social benefits are provided to large families, and there is a medicine bank which provides medicine to social institutions. Benchmarking, sharing experience with other countries and obtaining actual data and precise information are all important.

Minister Larsson agreed that sharing and learning from the experiences of other countries was fundamental. A good example of the success of this cooperative approach is the ban on smoking in public places which began in just one European country but has been widely adopted throughout the EU. Minister Larsson added that promoting quality and accessibility of services was one of her priorities. Services have limited value if they don't reach the desired users, so quality and access must go hand in hand. Giving users the ability to choose a variety of services is also important as is partnership with NGOs, which is essential for finding new solutions. It is better to aim for high quality services rather than the lowest-priced. "The drivers for this are the users themselves," she said.

Vice-Minister Bitinas added that incentives need to be put in place to encourage employers to take on young workers. Loans are provided to young entrepreneurs.

In response to a question about anticipatory pensions, **Minister Haekkerup** said that such pensions are part of the reforms focused on creating a better life: giving young people social pensions, trying to take a holistic approach to encourage labour market participation or training.

In response to a question from the audience, **Minister O'Sullivan** said that setting out minimum income standards is considered essential in Ireland. **Vice-Minister Bitinas** said that an EU-level discussion on minimum income standards was needed so that skills depletion through emigration is tackled.

Mr László Andor, EU Commissioner for Employment, Social Affairs and Inclusion, and Chairperson of the session stated that youth unemployment is one of the biggest problems currently faced in Europe. "Of course it doesn't affect Member States equally but without cooperation it is not going to be resolved." The cost of tackling the challenges to a social Europe now is modest compared to the cost on non-action. "It is not only an economic waste but also a social and political risk" he said. There is a need to discuss the broader issue of the social dimension of the EU in general as well as a discussion on wider social governance.

Commissioner Andor also said that measures to increase labour market participation, health investment and prevention were all important.

Social affairs budgets have to be protected but spending also needs to be more efficient. "In the current climate we need to combine all areas to make progress," he said.

The Social Investment Package will go along a long way to providing a road map for Social Investment for growth and cohesion. Commissioner Andor warned that if the financial issues are not resolved soon then even more spending on social priorities would be necessary in the future.

11:45 – 13:00 Closing session: The next steps

Sotiroula Charalambous, Cyprus Minister of Labour and Social Insurance, addressed the Convention as the six-month Cyprus Presidency is coming to an end. The Minister underlined the Presidency's conviction that a solid partnership between governments and civil society is more important than ever. "That is why we decided to set as a key priority the strengthening of participatory processes," she said, "and the involvement of NGOs in the implementation of the Europe 2020 strategy."

The overarching objective of the Cyprus Presidency was to promote growth and job creation while at the same time emphasising solidarity and social cohesion. Social policies, she stressed, are not only

there to protect the most vulnerable, such as children, but also to act as economic stabilisers. “The economy must serve people and not the other way around,” she said. Long-term changes can only be achieved through micro-economic interventions, like access to services, while at the same time addressing labour supply and demand. Health systems must be transformed with investments towards new and sustainable care models and solutions.

The Presidency’s two key messages were:

- If we are to regain the confidence and trust of citizens in EU policies we need their active participation, and must build on the momentum gained during the Cyprus Presidency.
- Maintaining social cohesion during a recession requires the right balance between growth and social protection. Social investment must be maintained if the vicious cycle of economic crisis is to be broken.

Jan O’Sullivan, Minister of State of Ireland whose responsibilities include homelessness, outlined the plans of the forthcoming Irish Presidency. The minister said that “The greatest single contribution we - Ireland - can make to the European project is to keep ourselves on the path of economic growth and maintains sustainable debts and deficits.” Beyond this the Presidency will reflect the EU’s emphasis on addressing the core challenges in such as unemployment, particularly amongst young people. This will also be the focus of February meeting of EU Ministers of Employment and Social Affairs. The Presidency will also push for greater mobility of citizens across the EU, in particular by removing obstacles to pension portability, posting of workers and recognition of qualifications.

The Irish Presidency will also support the European Commission’s plans to publish the forthcoming “Social Investment Package” next February 2013. The Presidency sees the Package as crucial in helping Member States make the necessary structural and social reforms required to emerge out of the current crisis and become more cohesive and competitive in the long run.

The Minister said that “The focus on investment in preventative social services is particularly crucial in stopping hardship before it happens particularly in areas of homelessness and housing-led approaches which I mentioned earlier. Furthermore the package stresses the importance of Member States investing across the life cycle. Investing in accessible but high quality early childhood care and education infrastructure can contribute to counteracting the predictable negative impacts of growing up in poverty while also addressing the intergenerational transfer of poverty.”

In concluding Minister O’Sullivan emphasised that “presenting such a package makes an important statement that social policy is an important part of Europe 2020.” She said “I am delighted that the European Commission will launch the Package in time for us to highlight it during our Presidency. I would hope that we will be able to support this welcome initiative in two ways: firstly through Council Conclusions on the Social Investment Package at the EPSCO Council, and secondly, through holding a Conference, arranged jointly by the Irish Presidency and the European Commission, with the support of the Council, at which the various elements of the Social Package can be discussed by a range of stakeholders.”

Milanka Opačić, Deputy Prime Minister of Croatia, said the key challenges for her country in ensuring sustainable growth and meeting the Europe 2020 targets is to design policies that create favourable conditions and increased competitiveness. Particular emphasis has been placed on young people and those of working age, who find it difficult to enter the work market. Another goal of Croatia is to increase the efficiency of the public welfare system; it needs to target vulnerable people, while at the same time spreading computerisation, and creating a single register for benefit beneficiaries. The ESF has helped expand welfare services into local communities. The Convention

has strengthened the message that investment in the welfare system is essential, and that social innovation is needed to prevent impoverishment and social exclusion. The exchange of experiences and best practices with other countries is very helpful. “We are hoping to become a member of the big family very soon” Ms Opačić concluded.

Sergio Aires, President of the European Anti-Poverty Network (EAPN), said that discussion on the Social Investment Package at the Convention had been 'very good' and that quite interesting proposals were made. He stressed that “what we really need now is to establish a process for a broader, open, transparent negotiation”. Mr Aires expressed the hope that the Social Investment Package would reinforce the fight against poverty and the 'full concretisation' of Europe 2020 strategy.

Mr Aires stated that “If we have a fiscal compact we also need a social compact and this is our main expectation of the Social Investment Package”. He felt there was an absence of honesty from governments about what had caused the current crisis, and a lack of courage in addressing it. “We need to remember that without social protection, we won't have growth”. You don't fight poverty with charity and emergency measures, said Aires. “We need an integrated EU anti-poverty strategy” he said “in which we can include homelessness, child poverty, older people, the Roma, a gender dimension, and active inclusion.” Mr Aires said that EAPN would work on proposing models for participation and their effectiveness. The first voice we should hear is the one of people experiencing poverty. Next year is the European Year of Citizenship, and this offers a good opportunity for a broad process of stakeholder participation. He ended by saying that many have lost their faiths in politicians leading to extremism and that this situation is a threat to democracy and freedom. “Poverty is not an accident but a political and economic choice,” Mr Aires concluded, “and we should make another choice.”

Frédéric Daerden, Member of the Committee on Employment and Social Affairs in the European Parliament, pointed out the 2011 Convention had stressed that its goal was to lift 20 million people out of poverty; and that things hadn't got off to a good start. The current figures show that poverty is in fact increasing. He said that the only way to diminish poverty and social exclusion in Europe was by having the European Parliament, the European Commission, Member States and civil society to work closely together. He assessed the success of the European Parliament's recommendations on poverty - monitoring by Member States has to be carried out by civil society and those experiencing poverty. He blamed the European Council for a lack of commitment to the fight against poverty; there were discussions but not enough actions. He underlined the need to push the Europe 2020 strategy rather than austerity; also for an enhanced role for European funds, and he lauded the single-mindedness of the European Commission in this regard. But he said the European Commission wasn't taking enough initiatives in the eyes of the European Parliament, conceding that Member States regularly blocked them at the Council “for the wrong reasons”.

Lauris Beets, Chair of the Social Protection Committee, said that both the EU and national governments need to be better in linking policy-making at a macro level with micro experience on the ground in regions, towns and municipalities. This Convention is an attempt to make that link.

The Social Protection Committee has three messages:

- policy makers must evaluate what we do with our policies and learn to do better, they must define trends to watch, such as social protection transfers which seem very effective in reducing child poverty in Ireland and Hungary;

- reducing poverty and social exclusion is not only a task for social protection policies, but must be underpinned by employment, tax, educational and transport policies;
- we need improved coordination of social policies at EU level if we are to reach the Europe 2020 targets.

In his conclusions, **Koos Richelle, Director-General for Employment, Social Affairs and Inclusion**, emphasised that “policy-making in difficult times means that facts and figures are needed as evidence of success”. At the same time there should be “an adequate, sustainable and effective budget” for social issues, and systems should not be used to legitimise marginalisation, but should contribute to activating people. Mr Richelle also re-iterated that social investment must take place where and when needed during the whole life cycle, starting at pre-school all the way into old age. As regards the European Commission proposals to earmark 25% of the European Social Fund to social expenditure, Mr Richelle expressed his regret at Member States' reluctance on this, during the negotiations.

He concluded by saying that the discussions at the Convention and, in particular, the debate on the Social Investment Package has made the Convention in to a milestone for European Social Policy formulation.